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Mary Mosiman, CPA
Auditor of State

NEWS RELEASE

FOR RELEASE _____ September 23, 2016

Contact: Andy Nielsen
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Auditor of State Mary Mosiman today released a report on the Iowa Department of Public Safety for the year ended June 30, 2015.

The Iowa Department of Public Safety is a statewide organization charged with promoting the safety of all Iowans from hazards associated with crime, fire and traffic through law enforcement.

Mosiman recommended the Department improve controls over compliance with payroll distribution, fire incident reporting and personal services contracts. The Department's responses to the recommendations are included in the report.

A copy of the report is available for review in the Iowa Department of Public Safety, in the Office of Auditor of State and on the Auditor of State's web site at <https://auditor.iowa.gov/reports/1660-5950-OR00>.

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**REPORT OF RECOMMENDATIONS TO THE
IOWA DEPARTMENT OF PUBLIC SAFETY**

JUNE 30, 2015

Iowa Department of Public Safety



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September 19, 2016


To Roxann Ryan, Commissioner of the Iowa Department of Public Safety:

The Iowa Department of Public Safety is a part of the State of Iowa and, as such, has been included in our audits of the State's Comprehensive Annual Financial Report (CAFR) and the State's Single Audit Report for the year ended June 30, 2015.

In conducting our audits, we became aware of certain aspects concerning the Department's operations for which we believe corrective action is necessary. As a result, we have developed recommendations which are reported on the following pages. We believe you should be aware of these recommendations, which include those reported in the State's Single Audit Report, as well as other recommendations pertaining to the Department's compliance with statutory requirements and other matters. These recommendations have been discussed with Department personnel and their responses to these recommendations are included in this report. While we have expressed our conclusions on the Department's responses, we did not audit the Iowa Department of Public Safety's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials and employees of the Iowa Department of Public Safety, citizens of the State of Iowa and other parties to whom the Iowa Department of Public Safety may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Department during the course of our audits. Should you have questions concerning the above matters, we shall be pleased to discuss them with you at your convenience. Individuals who participated in our audits of the Department are listed on page 6 and they are available to discuss these matters with you.


MARY MOSIMAN, CPA
Auditor of State

cc: Honorable Terry E. Branstad, Governor
David Roederer, Director, Department of Management
Glen P. Dickinson, Director, Legislative Services Agency

Report of Recommendations to the
Iowa Department of Public Safety
June 30, 2015

Finding Reported in the State's Single Audit Report:

CFDA Number: 20.218 – National Motor Carrier Safety
Agency Number: None
Federal Award Year: 2014, 2015
Iowa Department of Public Safety – Passed through the Iowa Department of Transportation

**State of Iowa Single Audit Report Comment: 15-III-DOT-595-2
(2015-007)**

Payroll Distribution – OMB Circular A-87 states employees who work on multiple programs will distribute their time based on actual activity. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support. Twenty-six employees of the State Patrol Division work on both state and federal programs. The Department used predetermined percentages, ranging from 3% to 85%, rather than actual hours to allocate payroll costs. The Department could not provide support for the payroll allocation percentages. The errors appear to be due to employee oversight.

Recommendation – The Department should ensure employees record actual hours worked on each federal program rather than predetermined percentages.

Response and Corrective Action Planned – Effective October 1, 2015, a memo was sent to all Motor Carrier Safety Assistance Program Certified Troopers, leadership and staff stating actual work activity must be recorded, on a daily basis, for the National Motor Carrier Safety Program as a result of mandates found in federal regulations.

Conclusion – Response accepted.

Findings Reported in the State's Report on Internal Control:

No matters were noted.

Other Findings Related to Internal Control:

No matters were noted.

Report of Recommendations to the
Iowa Department of Public Safety
June 30, 2015

Findings Related to Statutory Requirements and Other Matters:

- (1) Personal Services Contracts – Iowa Department of Administrative Services (DAS) Policy 240.102 provides general guidelines to be used by departments when entering into personal services contracts. The procedures require obtaining all signatures and distributing contract copies to all parties prior to the start of contracted services.

Testing of twelve personal services contracts for the Department identified six contracts where all signatures were not obtained prior to the start of contracted services.

Recommendation – Personal services contracts should be properly approved prior to contract execution.

Response – The Department has established standards so contracts are reviewed as part of the payment process and related follow-up is done. In addition, during FY 2015 the Department conducted mandatory training for all Department of Public Safety leadership and management personnel statewide on procurement as well as contract policies and procedures.

Conclusion – Response accepted.

- (2) Reports of Fire and Emergency Responses – Chapter 100.3 of the Code of Iowa requires local fire officials to file 90% of monthly fire reports with the State Fire Marshal (SFM) Division within 10 business days following the end of each month for all fires causing an estimated damage of \$50 or more or emergency responses by the fire service. For fires causing death, serious bodily injury or property damage in excess of \$200,000, the local fire official is required to notify the SFM Division immediately. However, less than 90% of fire reports are being submitted to the SFM Division by local officials within 10 businesses days following the end of the month.

Recommendation – The Department should establish procedures to require all local fire officials to report fires causing estimated damage of \$50 or more or emergency responses to the SFM Division within 10 business days following the end of each month.

Response – Fire reporting in Iowa has been as low as 30% for the preceding thirty years. In 2010, the SFM Division purchased a web-based fire reporting program called FIREBRIDGE which made it easier for fire departments to report their fires. We now require fire reporting monthly instead of annually. During the second quarter of FY the 2016, 88% of the total fire departments in Iowa were reporting. There were 266,594 incidents reported in FY 2015. With only a .5 full-time equivalent (FTE) position, the Department of Public Safety continues to provide training and assistance to support the program and are continually seeking improvements. It should be noted the statute contemplates timely reporting, but provides no funding mechanism for the Iowa Department of Public Safety or local agencies, and the Iowa Department of Public Safety does not have the authority to sanction a fire chief who does not report.

Conclusion – Response accepted.

Report of Recommendations to the
Iowa Department of Public Safety
June 30, 2015

Staff:

Questions or requests for further assistance should be directed to:

Brian R. Brustkern, CPA, Manager
Andrew E. Nielsen, CPA, Deputy Auditor of State

Other individuals who participated in the audits include:

Laura M. Wernimont, Senior Auditor
Jessica R. Frisch, Staff Auditor
Jessica L. Russel, Staff Auditor
Kyle C. Smith, CPA, Staff Auditor
Debora M. Copeland, Assistant Auditor
Tyler H. Moran, Assistant Auditor
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Cole J. Hanley, Auditor Intern